JOAQUIN CASTRO 20TH DISTRICT, TEXAS

COMMITTEE ON ARMED SERVICES

COMMITTEE ON FOREIGN AFFAIRS

## Congress of the United States House of Representatives

Washington, DC 20515-4320

March 28, 2014

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The Honorable Tom Wheeler, Chairman Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20054

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Dear Chairman Wheeler:

The FCC has indicated it plans to vote during its March 2014 meeting, on proposed rule changes concerning how joint sales agreements (JSAs) are used to calculate television station ownership. While I express no final conclusion herein with respect to the merits of such proposed changes, I believe a prudent course would be for the FCC to refrain from enacting rule changes at its March meeting -pending consideration of the issue in the context of either a larger FCC ownership proceeding, or legislative action.

The relative merits and public interest effects of JSAs have been the subject of intense debate in recent weeks, before the FCC, and Congress. While there are viewpoints on both sides of the issue, there is some evidence that JSAs may enable some stations to stay in business, provide programming, promote diversity, and sustain jobs. I also note some views, that imminent FCC action on JSAs could hurt diversity of broadcast ownership and programming.

Sinclair Broadcast Groups helps operate JSA for local KYMS which would struggle to provide service without resources available via the JSA. KMYS is a true grass roots station that provides news updates, local public affairs programming, extensive coverage of local high school and college sports as well as coverage of local community events from parades to pro basketball games. Additionally, they provide an affordable alternative to network and cable advertising for local business along with significant public service announcements that include the importance of education, drug awareness, drunk driving and a wide variety of issues that are important to the city of San Antonio and its residents.

I ask for your consideration to postpone the reported March vote on a JSA item to ensure the integrity of the deliberation process, and to best protect consumers, competition, and diversity of broadcast ownership and programming.

Sincerely,

Joaquin Castro

Member of Congress

JOHOUIN CASTRO



## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

May 6, 2014

The Honorable Joaquin Castro U.S. House of Representatives 212 Cannon House Office Building Washington, D.C. 20515

Dear Congressman Castro:

Thank you for your letter expressing concerns regarding the recent Commission action to attribute certain Joint Sales Agreements (JSAs) between television stations. I appreciate the opportunity to provide some clarification about the Commission's March 31, 2014 decision to attribute TV JSAs where one station sells 15% or more of the weekly advertising time on behalf of another station in the same market.

The Commission is taking a comprehensive review of the broadcast ownership rules as part of our recently adopted *Further Notice of Proposed Rulemaking* that started the 2014 Quadrennial Review. In that proceeding, we seek comment on a tentative conclusion that the current local TV ownership rule should be retained with a limited modification to account for the DTV transition. Even in light of the pending proceeding, it is important that the Commission continues to enforce its existing rules. There has been a growing concern over the last decade that TV stations are using JSAs as a way to circumvent our local TV ownership restrictions, by influencing the core operating functions of the other station in a market where joint ownership would not be allowed under the rules. I do recognize that there could be some exceptions where an attributable JSA could be in the public interest, which is why the Commission adopted an expedited waiver process as part of its *Order*.

Additionally, while some that believe attribution of JSAs will hurt diversity of ownership and programming, dozens of minority groups, scholars, and public interest organizations have publicly supported the Commission action. Such agreements stifle competition and can have the effect of eliminating opportunities for minority or women-owned entities.

By moving decisions on broadcast ownership into the open, we will enable the public and the Commission to consider more fully and appropriately the public interest issues raised by the implementation of the Commission's rules. I hope this information is helpful.

Sincerely,

Tom Wheeler